

Government of the District of Columbia
Office of the Chief Financial Officer




Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: April 17, 2012 

SUBJECT: Fiscal Impact Statement Council Capital Reprogramming Policy
Emergency Act of 2012"

REFERENCE: Bill circulated on April 13, 2012, for introduction on April 17, 2012

Conclusion

Funds are sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the bill.

Background

Under current law, the Mayor can initiate reprogramming of capital or operating funds without approval from the District of Columbia Council, so long as such adjustments are under \$500,000.¹ The bill requires that during the 56 calendar days when the Council considers the budget proposal from the Mayor,² any capital project reprogramming requests under \$500,000 be submitted to the Council for approval. Such requests will be deemed approved after a 5-day review period (excluding any Council recess), unless a member of the Council proposes a disapproval resolution. If a disapproval resolution is filed, then the request shall be deemed approved 30 calendar days from the date of the receipt of the reprogramming request, unless before the end of the 30-day review period the Council adopts a resolution of disapproval or approval.

The bill also requires that the Office of Budget and Planning of the Office of the Chief Financial Officer transmit to the Budget Director of the Council of the District of Columbia a report on existing capital project holds and freezes within 3 days after its effective date. The report shall include a list of all holds or freezes on capital projects, the amount of each hold or freeze, and the funding source of each hold or freeze. The Office of Budget and Planning is also directed to submit an updated version of the Mayor's proposed Capital Improvement Plan for FY 2013 through FY 2018 that

¹ D.C. Official Code § 47-361.

² This requirement is pursuant to section 446 of the Home Rule Act, approved December 24, 1973 (87 Stat. 801; D.C. Official Code § 1-204.46).

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FIS: "Council Capital Reprogramming Policy Emergency Act of 2012," Bill circulated on April 13, 2012

includes the effect of any reprogramming under \$500,000 since the submission of the budget on March 23, 2012.

Financial Plan Impact

Funds are sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the bill. Removing, for capital projects, the ceiling of \$500,000 under which the Mayor can initiate a reprogramming without Council approval does not have a fiscal impact, although under some circumstances, the review process may result in delays in the implementation of capital projects.

The Office of Budget and Planning can meet the reporting requirements of the bill without incurring any additional cost. Also, it must be noted that the Office of the Chief Financial Officer can provide the required reports only to the extent that it receives notice of such changes.